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TO: All Medicare Advantage Organizations, Prescription Drug Plan Sponsors and
1876 Cost Plans

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SUBJECT: Issuance of Contract Year 2011 Marketing Model Materials

The Centers for Medicare & Medicaid Services (CMS) announces the release of several important Contract Year (CY) 2011 marketing model materials – specifically, the standardized Annual Notice of Change (ANOC) and Evidence of Coverage (EOC) templates, model Part D Abridged Formulary, Comprehensive Formulary, Excluded Provider Directory, Pharmacy Directory, Prescription Transfer Letter, Transition Letter, and LIS Rider documents, and applicable checklists. All Part D models were updated with minimal revision. Changes to the standardized ANOC/EOC primarily focused on incorporating recent policy changes and enhancing messaging through plain language. Additionally, an ANOC/EOC template was created for MSA plans. To facilitate review of changes to the ANOC/EOC, we provide a high-level summary of the most significant changes below.

Changes to All ANOC/EOC Templates:

- Added several disclaimers required within the Medicare Marketing Guidelines.
- Added or removed language to align with recent policy standards (i.e., termination of enrollment for incarceration).
- Replaced language about the Medicare Advantage Open Enrollment Period (OEP) with a description of the new Medicare Advantage Annual Disenrollment Period (ADP).
- Revised and added definitions.

Changes to Part D ANOC/EOC Templates:

- Added a description of the Medicare Coverage Gap Discount Program.
- Added information on means-based Part D premium testing.
- Added a table to the ANOC describing changes to the drug payment stages (i.e., initial coverage limit, true out-of-pocket, or TrOOP, limit).
- Clarified language to include cost-sharing paid by AIDS Drug Assistance programs, Indian Health Service, and the Medicare Coverage Gap Discount Program as counting towards TrOOP.
- Added a description of the process for requesting expedited appeals.

- Added clarifying language that members can be disenrolled for failure to pay the late enrollment penalty portion of their premium.
- Revised the coverage gap sections to reflect that members will receive a discount on brand drugs and that the member will pay only 93% of the costs of generic drugs.
- Revised language to distinguish deadlines for coverage decisions about drugs members have received versus drugs they have not received.

Changes to All MA ANOC/EOC Templates:

- Added required language (except to MSA template) for plans to indicate in both the ANOC and the EOC whether they cover all Medicare-covered preventive services at no cost or whether all Medicare-covered preventive services are not covered at zero cost-sharing.
- Added language to describe the maximum out-of-pocket costs limits for Part A & Part B covered services.
- Revised language regarding the visitor/traveler benefit.
- Revised language to describe new coverage rules for clinical trials.
- Added language clarifying inpatient covered services.

Changes to MA-only ANOC/EOC Templates:

- Added a section to describe the costs of Part D coverage, including information about means-based Part D premium testing and late enrollment penalties.

Changes to MA-PD ANOC/EOC Templates:

- Added instructions and language for institutional SNPs to describe eligibility requirements.

Changes to PPO ANOC/EOC Template:

- Added language describing the in-network and catastrophic out-of-pocket maximums.
- Added language indicating members can receive services from out-of-network providers if such services are covered, medically necessary, and performed by a Medicare participating provider.
- Revised language regarding prior authorization and coverage for post-stabilization care.

Changes to PFFS ANOC/EOC Templates:

- Adjusted language referencing network providers.
- Added a definition of balance billing and revised definition of network providers.
- Added language to indicate no prior notification requirements.

Changes to Section 1876 Cost Plan ANOC/EOC Templates:

- Added language to clarify plan members can get care from out-of-network providers and pay the Original Medicare cost-sharing amount.
- Deleted references to coverage for out-of-area dialysis and health and wellness education programs.

Plan sponsors are reminded that the ANOC/EOC models are standardized documents that must not be modified except as noted in the instructions and allowed by CMS. All templates, models and applicable instructions are posted on the CMS Part C Marketing web page (www.cms.hhs.gov/ManagedCareMarketing/ and on the Part D Marketing Models web page www.cms.hhs.gov/PrescriptionDrugCovContra/PartDMMM/list.asp .

Upon completing marketing documents for CY 2011, plan sponsors should ensure they are compliant with CMS guidance prior to submitting in HPMS. Plan sponsors with questions on these materials should direct them to their CMS Account Manager.